

DECISION**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

FILE: B-179610

DATE: August 3, 1976

MATTER OF: U-Haul International

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DIGEST:

1. Where contractor under contract with Navy provides service members with rental vehicle and cash advance to cover fuel, oil, toll and trip permit costs in connection with Navy's "Do-It-Yourself" moving program and service member neither submits receipts for expenses incurred nor otherwise accounts for use of cash advance, contractor may be reimbursed for the cash advance when billing invoice is accompanied by a receipt for the cash advance and whatever journey receipts the serviceman may have turned in. Service member's failure to comply with Navy directives requiring member to surrender all journey receipts and unused portions of cash advance is matter for resolution by Navy Department.
2. Where contractor submits only an invoice in support of its claim for reimbursement of allegedly paid cash advance, contractor has failed to submit best evidence in support of claim and is not entitled to reimbursement until such time as a cash advance receipt is submitted or, alternatively, corroborating secondary evidence is furnished in form of service member's surrendered journey receipts or contractor's running expenditure accounts.

This action is in response to a letter dated April 4, 1975, from U-Haul International (U-Haul), a moving subsidiary of Amerco Systems, forwarded here by the Director, Freight Department, Navy Regional Finance Center, Washington, requesting reconsideration of our settlement (claim Z-2516754(1) et. al.) of December 5, 1974, which disallowed undocumented reimbursement claims for cash advances allegedly paid military personnel in connection with the Navy's "Do-it-Yourself" moving program and allowed those claims supported by a receipt for the cash advance. Although subsequent to our partial disallowance of December 5, 1975, U-Haul submitted reclaim invoices and, in some cases, supported such invoices with additional documentation, the Navy has declined to reimburse U-Haul for the claimed cash advances because the reclaim invoices were not " * * * properly supported with necessary receipts in accordance with implementing regulations."

The contract in question is a blanket purchase agreement whereby the Navy places orders with U-Haul at specified locations for the rental of vans and trucks for use by Navy members when shipping their household goods under the "Do-It-Yourself" shipping program. Under the contract, the service member using the rental vehicle is paid a cash advance by the contractor. The cash advance is intended to cover the estimated fuel, oil, toll, and special permit costs for the journey. The dispute in this case concerns the circumstances in which the contractor may be reimbursed for cash advances paid to the service member and the documentation necessary to support a claim therefor.

In this regard, paragraphs 3a(1), (2), and 6 of the blanket purchase agreement between U-Haul and the Navy provide as follows:

"(1) The amounts identified in Exhibit A as 'cash advance' represent estimated fuel, oil, toll, and special permit costs for the miles allowed using the Contractor's suggested routes. When returning the vehicle at destination, the service member shall reconcile expenses incurred against the cash advance amount by presenting receipts for all expenses and the remaining cash advance if any to the U-Haul representative who shall give the service member a receipt for same."

[Exhibit A lists the places of origin and destination between which U-Haul trucks are available, size of trucks, estimated travel days, rental charges, excess mileage and day charges, and cash advances authorized. The cash advance to be made by U-Haul to the service member is based on the distance authorized to be travelled at Government expense.]

"(2) If the receipts and cash advance balance presented by the service member do not equal the amount of the original cash advance, the Contractor shall so indicate when billing the Government.

* * * * *

"6. INVOICES

The Contractor shall submit, in quadruplicate, an itemized invoice covering all claimed expenses, together with supporting receipts, etc., for each Order received hereunder * * * ." (Emphasis added.)

Also, in connection with the "Do-It-Yourself" method of moving personal property, Naval Supply Systems Command (NAVSUP) Instruction 4050.62, Part II b (j)(2) and d 11 (August 3, 1972), although not a part of the contract between U-Haul and the Navy Department, instructs military transportation officers to counsel service members on the procedures for utilizing the "Do-It-Yourself" method of shipment and provides, in relevant part, as follows:

"(2) * * * Members will be advised to obtain receipts for each expenditure enroute and to surrender such receipts to the contractor's representative at the designated delivery point. Such bills will be reconciled by the contractor. Members should also be advised that if the total amount of receipts presented is less than the amount of cash advance, he will be required to return the difference in cash to the contractor's representative upon delivery of the vehicle at destination * * *.

* * * * *

"11. PPTOs [Personal Property Transportation Officers] should counsel the member that the contractor may require him to sign a receipt for services (packing material, cash advance, vehicle) at the origin pickup point. Such receipt is necessary for billing purposes * * *."

In all of the cases submitted, the contractor states that the service member neither left oil, gas, toll, and special permit receipts (journey receipts) totalling the amount of the cash advance nor surrendered an equivalent unused portion of the cash advance when the rental vehicle was returned to U-Haul facilities. The Navy does not dispute this contention. However, the Navy Regional Finance Center has declined to reimburse U-Haul for those portions of the cash advance which are not supported by the service member's journey receipts, even though the contractor's reclaim invoice may have been accompanied by a receipt for the cash advance.

We have examined the contract between U-Haul and the Navy and have found no provision, either in express terms or by fair implication, indicating that U-Haul was to bear any risk relating to the cash advance or to assume contractual responsibility for the service member's failure to comply with the transportation officer's instructions to obtain and surrender journey receipts and

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to remit the unused portions of the cash advance. To the contrary, paragraph 3a(2) of the blanket purchase agreement expressly provides that if the receipts and cash advance balance surrendered by the service member to U-Haul do not equal the amount of the original cash advance, the contractor shall so indicate when billing the Government. Cf. Browne & Bryan Lumber Company, 54 Comp. Gen. 559, 560 (1975), 75-1 CPD 39; B-175388, May 8, 1972. Moreover, paragraph 3a(1) of the agreement clearly states that an advance is to be made to the service member at place of origin and is to be accounted for by the service member at place of destination. NAVSUP Instruction 4050.62, the Navy regulation governing military transportation officer counseling responsibilities and the duties of the service member, is to the same effect. Insofar as the cash advance is concerned, the only discernible contractual obligation of U-Haul is to make a specified cash advance, to submit invoices covering the contractor's claimed expenses with accompanying supporting receipts (paragraph 6), and to report any difference between the receipts turned in by the service member and the cash advance (paragraph 3a(2)).

Where the contractor has complied with its obligation to advance cash, obtained and submitted a receipt, along with such other journey receipts the service member may have turned in, the claims, if otherwise correct, may be allowed in the amounts claimed. The service member's failure to surrender receipts and to remit unused portions of the cash advance are a matter for resolution between the Navy Department and the service member concerned.

In some cases the contractor submitted journey receipts surrendered by the service member at destination, and the Navy reimbursed the contractor for such amounts as were represented by the surrendered journey receipts, but disallowed the remainder of the claimed cash advance. U-Haul's reclaim invoices seek reimbursement for the remaining balance of the allegedly paid cash advance.

From the records available here, it is unclear whether U-Haul's billing invoice and the surrendered journey receipts were accompanied by a receipt for the original cash advance. If the partial allowances were predicated on a receipt for the cash advance but were allowed only to the extent U-Haul submitted journey receipts surrendered by the service member at destination, the remaining balance of the claimed cash advance, less the remitted unused portion of the cash advance, is for allowance, if otherwise correct. If, on the other hand, the contractor did not

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submit a receipt for the cash advance, as the record before us seems to indicate, it appears that the Navy considered the journey receipts surrendered to the U-Haul representative by the service member as reasonably establishing the fact that a cash advance was made to the extent represented by such journey receipts.

While we offer no legal objection to the use of the service member's surrendered journey receipts as evidence indicating that a cash advance was actually made to the extent represented by such receipts, the reclaim invoices claiming an additional entitlement which are supported by neither the service member's surrendered journey receipts nor a receipt for the cash advance, cannot, in themselves, be regarded as evidence satisfactorily establishing the payment of a cash advance in the total amount claimed. See B-176994, August 14, 1974. Neither do we consider the existence of a purchase order (Form DD 1155) directing the contractor to pay a specified cash advance to be of sufficient probative value to permit the conclusion that a cash advance was actually received. UniRoyal International, B-180648, May 17, 1974, 74-1 CPD 266. In this connection, we point out that the burden is on the claimant, not the contracting agency, to furnish evidence clearly and satisfactorily proving the validity of the claim. See 53 Comp. Gen. 181, 184 (1973); 31 Comp. Gen. 340, 341 (1952).

We believe this general rule together with paragraph 6 of the agreement requiring that invoices be supported by receipts would ordinarily require the submission of a receipt for the cash advance as the best evidence in support of a claim for reimbursement. See 52 Comp. Gen. 945, 949 (1973). While we recognize that cash advance receipts may be unavailable by reason of being lost or inadvertently destroyed, U-Haul has not expressed an inability to produce the cash advance receipts contemplated by contract. To the extent the amount claimed by the invoices exceeds the amounts represented by the surrendered journey receipts and are not otherwise supported by a receipt for the cash advance, U-Haul has failed to produce the best evidence in support of its claim for additional reimbursement. Therefore, until such time as U-Haul produces the cash advance receipts or, alternatively, adequately explains their absence and submits acceptable corroborating secondary evidence in the form of U-Haul's original running expenditure accounts or additional journey receipts surrendered by the service member at destination, payment on reclaim vouchers is not authorized. See B-176994, December 5, 1972; Afghan Carpet Cleaners, B-175895, April 30, 1974, 74-1 CPD 220.

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Accordingly, the settlement of the Transportation and Claims Division (now Claims Division) disallowing additional reimbursement is sustained.

Atkinson
Deputy Comptroller General
of the United States